

The Companies Acts 1985 to 2006

Company Limited by Guarantee and not having a Share Capital

Articles of Association
of
The National Forest Charitable Trust

Registered in England and Wales – No. 3468753

As approved by a General Meeting of
The National Forest Charitable Trust
on 15 December 2021

Certified a true copy by

A handwritten signature in black ink, appearing to read 'Stephen H Woolfe', with a long horizontal flourish extending to the right.

Stephen H Woolfe - Chairman

The Companies Acts 1985 to 2006

Company Limited by Guarantee and not having a Share Capital

Index to Articles of Association of The National Forest Charitable Trust

INTERPRETATION	4
1. Defined Terms.....	4
OBJECTS AND POWERS	5
2. Objects	5
3. Powers.....	5
LIMITATION ON PRIVATE BENEFITS	8
4. Limitation on Private Benefits	8
LIMITATION OF LIABILITY AND WINDING UP.....	9
5. Liability of Members	9
6. Winding Up.....	10
MEMBERS.....	10
7. Number of Members	10
8. Cessation of Membership	10
ASSOCIATES AND PATRONS	11
9. Associates and Patrons.....	11
ORGANISATIONS.....	11
10. Organisations	11
GENERAL MEETINGS.....	12
11. General Meetings	12
12. Notice of General Meetings	13
13. Proceedings at General Meetings.....	13
14. Chairing General Meetings	14
15. Adjournment	14
16. Resolutions.....	14
17. Poll Votes	14
18. Chair's Casting Vote	15
19. Unanimous Written Resolutions	15
20. Associates and Patrons at General Meetings	15
VOTING BY MEMBERS	15
21. Votes of Members	15
22. Proxies.....	16
Power to appoint.....	16
23. Delivery of Proxy Notices	16
THE BOARD.....	18
24. The Board.....	18
25. Appointment and Retirement of the Board Members.....	19
26. Powers and Duties of the Board.....	19
27. Proceedings of the Board	20
28. Chair.....	20
29. Board Minutes.....	21
30. Directors may Delegate.....	21
31. Validity of Director actions.....	21
Decision Making by the Board	21
32. Unanimous decisions without a meeting	21

33.Conflicts of interest.....	22
34.Directors' power to authorise a conflict of interest.....	23
35.Disqualification of Board Members.....	24
36.Officers	24
37.Secretary	24
38.Payment of Officers	25
ADMINISTRATIVE AND MISCELLANEOUS	25
39.Company Bank Account	25
40.The Seal	25
41.Accounts	25
42.Audit	26
43.Notices	26
44.Communications by the Company.....	26
45.Communications to the Company.....	27
46.Rules or Bye Laws	27
47.Exclusion of model articles.....	28
48.Indemnity	28

COMPANIES ACT 1985 to 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF
THE NATIONAL FOREST CHARITABLE TRUST

1. _____
2. INTERPRETATION
3. Defined Terms

In these Articles:

'Act' means the Companies Acts 1985 to 2006 or any amendment, modification or re-enactment thereof;

'Address' includes a number or address used for the purposes of sending or receiving documents by Electronic Means;

'Board' means the Board of the Company;

'Board Member' means a member of the Board;

'Charities Acts' means any legislation regulating charitable bodies from time to time in force;

'Conflict of Interest' means any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;

'Document' includes summons, notice, order or other legal process and registers and includes, unless otherwise specified, any document sent or supplied in Electronic Form;

'Electronic Form' and 'Electronic Means' have the meanings respectively given to them in Section 1168 of the Companies Act 2006;

'Hard Copy' and 'Hard Copy Form' have the meanings respectively given to them in the Companies Act 2006;

'Organisation' means any legal organisation of people or interests (whether incorporated or not) including any local authority and any body created by or under statute;

'Proxy Notice' has the meaning given in Article 22;

'Proxy Notification Address' has the meaning given in Article 23;

'Secretary' means any person appointed to perform the duties of the secretary of the Company;

'United Kingdom' means Great Britain and Northern Ireland.

Expressions referring to writing shall unless the contrary intention appears be construed as including references to printing lithography photography and other modes of representing or reproducing words in a permanent visible form.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

The masculine shall include the feminine and vice versa.

4. OBJECTS AND POWERS

5. Objects

The Company is established to promote for the benefit of the public in England and Wales any charitable purpose connected with forestry in England and Wales and (without prejudice to the generality of the foregoing) in particular in the counties of Leicestershire, Derbyshire and Staffordshire and to hold and develop land in the ownership or occupation of the Company for the benefit of the public for recreational and leisure occupations and in the interest of the social welfare of the public within the meaning of the Recreational Charities Act 1958.

6. Powers

In furtherance of the said objects but not further or otherwise the Company shall have the power:-

- 3.1 to promote afforestation for the benefit of the public and for the general improvement of land or the environment;
- 3.2 to promote the general improvement of arboriculture and agriculture;
- 3.3 to conserve the environment for the benefit of the public and to educate the public in the principles and practice of such conservation (and in furtherance thereof to encourage the planting, cultivation and maintenance of trees shrubs and other plants);
- 3.4 to provide or help provide for the general public facilities in the interests of social welfare for recreation and leisure time occupation particularly involving the enjoyment of woodlands as a public amenity and in furtherance thereof to help provide for safe and convenient routes and modes of transport for the public, for safe cycling, and for the development of facilities including nature trails, walks and sanctuaries, bridle paths, cycle tracks and foot paths, parklands and visitor facilities including but not limited to the construction and use of buildings for the use of visitors and car parks;
- 3.5 to improve the physical or natural environment (particularly derelict and/or harmful sites) for the benefit of the public;

- 3.6 to educate the public in environmental matters to do with forestry and any branch of science relating to trees, shrubs or other plants;
- 3.7 to improve areas of poor landscape and low amenity value;
- 3.8 to encourage bio diversity and the preservation of endangered species;
- 3.9 to promote the achievement of good environmental practices;
- 3.10 to promote and enhance public access recreation enjoyment and education;
- 3.11 to develop the planting and to encourage and assist the development of facilities including nature trails, reserves and sanctuaries, horse cycle and footways, parklands and visitor facilities of all kinds (including buildings);
- 3.12 promote rural regeneration and sound environmental practices;
- 3.13 to enhance and promote the enhancement of the built environment;
- 3.14 to promote and encourage environmentally responsible forestry;
- 3.15 in partnership with other agencies to develop any of the foregoing to enrich the cultural economic and physical and environmental conditions in which people live;
- 3.16 seek to maximise human and financial resources for the support and enhancement of the quality of the environment;
- 3.17 to obtain, collect, issue appeals for and receive money and other assets by way of contributions, donations and subscriptions legacies grants and any other lawful method and accept and receive gifts of property of any description (whether subject to any special trusts or not) for the purpose of carrying out the objects of the Company;
- 3.18 to subscribe or guarantee money or other resources or services for charitable purposes in anyway connected with the objects of the Company or calculated to further its objects;
- 3.19 to collect and disseminate information on all matters affecting the objects of the Company and establish print publish issue and circulate gratuitously or otherwise any such papers journals magazines books periodicals and publications films or recorded tapes as shall be necessary to attain the said objects or are in any way beneficial to the work of the Company;
- 3.20 to provide all such facilities and amenities as shall further the objects of the Company including the promotion of co-operation between charities voluntary bodies public authorities business firms organisations of workers and all other relevant bodies;
- 3.21 to hold exhibitions meetings lectures classes seminars and courses either alone or with others;

- 3.22 to foster and undertake research into any aspect of the objects of the Company and its work and to disseminate the useful results of any such research;
- 3.23 to enter into any arrangement with any institution corporation company association firm or person or with any government public or local authority which may seem calculated to further any of the objects of the Company and to obtain any rights and privileges which may be necessary for the attainment of the objects of the Company;
- 3.24 to accept subscriptions donations devises and bequests of and to purchase take on lease or in exchange hire or otherwise acquire and hold any real or personal estate maintain and alter or improve any of the same as are necessary for any of the objects of the Company and (subject to such consents as may be required by law) sell lease or otherwise dispose of or mortgage any such real or personal estate;
- 3.25 to draw make accept endorse discount execute and issue promissory notes bills cheques and other instruments and to operate bank accounts;
- 3.26 to borrow or raise money for the objects of the Company on such terms and (with such consents as are required by law) on such security as may be thought fit provided that the Company shall not undertake any permanent trading activities in raising funds for the objects of the Company;
- 3.27 to take and accept any gift of money property or other assets whether subject to any special trust or not for anyone or more of the objects of the Company;
- 3.28 to invest the moneys in the purchase of or at interest on the security of such stocks funds shares securities or other investments or property of whatever nature and wherever situated as the Company shall in its absolute discretion think fit to the intent that the Company shall have the same full and unrestricted powers of investing and transposing investments as if it was beneficially entitled to the monies;
- 3.29 to employ as a professional investment manager any person who is entitled to carry on investment business under the provisions of the Financial Services Act 1986 and to delegate to any such manager ('the Manager') the exercise of all or any of the Company's powers of investment on such terms and at such reasonable remuneration as the Company may think fit but subject always to the following conditions:
 - 3.29.1 the delegated powers shall be exercisable only within clear policy guidelines drawn up in advance by the Company and within the powers of investment conferred by these Articles of Association;
 - 3.29.2 every transaction carried out by the Manager under delegated powers shall be reported to the Company within 14 days;
 - 3.29.3 the Company shall be bound to review the arrangements for delegation at least once in every 12 months;
- 3.30 to undertake execute and establish any charitable trusts which may be lawfully undertaken by the Company and may be necessary for its objects;
- 3.31 to make any charitable donation either in cash or assets for the furtherance of the objects of the Company;

- 3.32 to establish and support any charitable association or body and to subscribe or guarantee money for charitable purposes calculated to further the objects of the Company;
- 3.33 to employ and pay any person or persons subject to the provisions of Article 4 hereof to supervise organise carry on the work of and advise the Company;
- 3.34 to insure and arrange insurance cover for and to indemnify its officers servants and voluntary workers and those of its members who effect work for the Company from and against all such risks incurred in the course of the performance of their duties as may be thought fit;
- 3.35 subject to the provisions of Article 4 hereof to pay reasonable annual sums or premiums for or towards the provision of pensions for officers or servants for the time being of the Company or their dependants;
- 3.36 to amalgamate with any charitable companies institutions societies or associations which are charitable at law and have objects altogether or mainly similar to those of the Company and prohibit the payment of any dividend or profit to and the distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Company by these Articles of Association;
- 3.37 to pay out of the funds of the Company the costs charges and expenses of and incidental to the formation and registration of the Company as a Company and as a Charity;
- 3.38 to establish where necessary local branches (whether autonomous or not);
- 3.39 to do all such other lawful things as shall further the above objects or any of them.

7. LIMITATION ON PRIVATE BENEFITS

8. Limitation on Private Benefits

- 9. 4.1 income and property of the Company shall be applied solely towards the promotion of its Objects as set forth in the Articles of Association.
- 10. 4.2 No portion of the income and property of the Company shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit to members of the Company and no member of its Board shall be appointed to any office of the Company paid by salary or fee or receive any remuneration or other benefit in money or monies worth from the Company, provided that nothing herein shall prevent any payment in good faith by the Company:
 - (a) 4.2.1 of reasonable and proper remuneration to any member, officer of servant of the Company not being a member of its board for any services rendered to the Company;
 - (b) 4.2.2 of reasonable remuneration to any person holding office as an executive director or Secretary for work undertaken whilst holding that office

notwithstanding that such officer is a member of the Board, provided that such officer withdraws from the Board whilst his remuneration or terms of employment are discussed provided that a majority of the Board members do not receive remuneration in respect of employment by the Company;

- (c) 4.2.3 of interest on money lent by any member of the Company or of its Board at a rate per annum not exceeding 2% less than the minimum lending rate prescribed for the time being by a clearing bank selected by the Board;
- (d) 4.2.4 of reasonable and proper rent for premises demised or let by any member of the Company or of its Board;
- (e) 4.2.5 to any member of its Board of reasonable and proper out of pocket expenses for attendance at board meetings, general meetings or committee meetings or in the proper discharge of his duties;
- (f) 4.2.6 to any member of the Company or of its Board for the time being who possesses specialist skills or knowledge required by the Company for its proper administration and functions of reasonable charges for work of that nature done by that member or by any firm, business or limited company in which that member has an interest provided that a majority of the board members do not receive remuneration in respect of employment by the Company;
- (g) 4.2.7 of any premium in respect of any indemnity insurance to cover the liability of the members of the board or officers of the Company which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company, provided that any such insurance shall not extend to any claim arising from any act or omission which such members or officers knew to be a breach of trust or breach of duty or which was committed by them in reckless disregard of whether it was a breach of trust or breach of duty or not.
- (h)
- (i) LIMITATION OF LIABILITY AND WINDING UP

11. Liability of Members

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the assets of the Company in the event of the same being wound up while he is a member or within one year after he ceases to be a member for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding one pound

12. Winding Up

12.1 At any time before, and in expectation of, the winding up or dissolution of the Company, the members of the Company or, subject to any resolution of the members, the Directors, may resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision made for them, shall on the dissolution or winding up of the Company be applied or transferred in any of the following ways:

12.1.1 directly for the objects of the Company; or

12.1.2 to any institution or institutions which is or are regarded as charitable under the law of every part of the United Kingdom:

(a) for purposes similar to the objects of the Company; or

(b) for use for particular purposes that fall within the objects of the Company.

12.2 In no circumstances shall the net assets of the Company be paid to or distributed among the members of the Company under this Article 6 (except to a member that is itself an institution chosen to benefit under this Article 6).

12.3 If no resolution is passed in accordance with Article 6.1 the net assets of the Company shall be applied for such purposes regarded as charitable under the law of every part of the United Kingdom as are directed by the Charity Commission.

13. MEMBERS

14. Number of Members

14.1 The number of Members with which the Company proposes to be registered is unlimited.

14.2 Each Member shall sign a written form consenting to membership of the Company on becoming a member.

14.3 The subscribers to the original Memorandum of Association and such other persons as shall be approved by the Board shall comprise the membership.

14.4 An application for membership may be approved or rejected for good and sufficient reason by the Board.

15. Cessation of Membership

15.1 Membership of the Company will cease upon the death of an individual Member.

15.2 A Member may terminate his or her membership upon giving written notice to that effect to the Company.

15.3 The Board shall have the right for good and sufficient reason to terminate the membership of any Member provided that the Member concerned shall have a right to be heard on appeal and the final decision determined by the Members in General Meeting.

16. ASSOCIATES AND PATRONS

17. Associates and Patrons

17.1 Subject to the provisions of these Articles the Board may from time to time by Resolution appoint such persons or Organisations with an interest in the aims of the Company as they think fit to be Patrons and/or Associates of the Company.

17.2 Patrons and Associates may be appointed either for life or for some other period specified in the Resolution by which they are appointed subject to termination as set out in Article 9.3.

17.3 A Patron shall automatically cease to be a Patron and an Associate shall automatically cease to be an Associate on:

17.3.1 death; or

17.3.2 resignation by written notice to the Company; or

17.3.3 the expiration of the period of appointment; or

17.3.4 the termination of the appointment by the Board where they have good and sufficient reason so to do.

17.4 Each Patron and Associate shall be entitled to receive notice of and attend every General Meeting of the Company but shall not be entitled to vote at such Meeting.

17.5 The function of Associates appointed in accordance with these Articles shall be to act individually or collectively when called upon by the Board in their absolute discretion to give advice and guidance to the Board concerning the interests and objects of the Company.

17.6 The function of Patrons appointed in accordance with these Articles shall be to act in an honorary capacity to do such matters as shall in the absolute discretion of the Board be deemed to be in pursuit of the objects of the Company including publicly commending the Company by any reasonable means.

17.7 At the discretion of the Company a Patron or an Associate may be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by him in connection with the discharge of his duties, but shall otherwise be paid no remuneration.

18. ORGANISATIONS

19. Organisations

19.1 Any Organisation which is a Member may by resolution of its committee or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company. Notice thereof shall be given to the Company and the person so authorised shall then be entitled to exercise the same powers on behalf of the said Organisation as that Organisation could exercise if it were an individual Member. Modification or cancellation of such an authority shall be given by the Organisation to the Company in writing and shall be effective from the date of its receipt by the Company.

19.2 Notwithstanding anything contained elsewhere in these Articles or implied into these Articles by law there shall apply to any Organisation which is a Member and to which Member the Board shall by Board resolution apply the following provisions, namely:

19.2.1 The relevant Organisation may have two representatives ("the First Representative" and "the Second Representative") at any General Meeting. The Organisation shall by written notice to the Company stipulate which of its two representatives is the First Representative and which is the Second Representative and from time by similar notice change such classification. Both the First Representative and the Second Representative shall receive all the papers notice accounts and other documents to which a Member is entitled from the Company;

19.2.2 If and so long as the First Representative is present at a General Meeting he shall be deemed to be the Member, be counted in the quorum, be entitled to vote and be generally to exercise the rights of a Member and the Second Representative shall be entitled only to speak. If and so long as the First Representative is not present at a General Meeting the Second Representative shall be deemed to be the Member and to exercise the Member's said rights;

19.2.3 The Member may exercise a proxy only by the First Representative and only if neither of the First Representative nor the Second Representative is present at the General Meeting at which the Proxy is to be exercised. Only the First Representative may exercise the rights conferred in Article 10.2.2;

19.2.4 Only one of the two representatives of a relevant Organisation may be a Board Member at any one time Provided that nothing in this Article shall prevent someone who is a representative being appointed or co-opted as a Board Member in a personal or some other capacity.

20. GENERAL MEETINGS

21. General Meetings

21.1 The Company shall each year hold an Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the Notices calling it. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Board shall appoint.

21.2 All General Meetings other than Annual General Meetings shall be called General Meetings. The Board may whenever it thinks fit convene an General Meeting and General Meetings shall also be convened on written request to the Board by 20 Members or (if less) over one half of the Members.

22. Notice of General Meetings

22.1 An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by at least twenty one days written notice.

- 22.2 Other general meetings shall be called by at least fourteen days written notice.
- 22.3 The notice shall be exclusive of the day on which it is served or deemed to be served and of the day of the meeting and shall specify the place the day and the hour of meeting and (in the case of special business) the general nature of that business.
- 22.4 The notice shall be given in manner herein mentioned (or in such other manner if any as maybe prescribed by the Company in general meeting) to the Members, the Patrons, the Associates, the honorary officers, the Board and the auditors.
- 22.5 A general meeting may be called by shorter notice than specified in Articles 12.1 and 12.2 provided that doing so receives the consent:
- 22.5.1 in the case of an Annual General Meeting, of all the Members entitled to attend and vote; and
- 22.5.2 in the case of any other meeting, of a majority in number of Members having a right to attend and vote, being a majority together holding not less than 95 percent of the total voting rights at the meeting of all the Members.
- 22.6 The accidental omission to give notice of a general meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 22.7 Every notice calling a general meeting must specify the place, day and time of the meeting and the general nature of the business to be transacted.
- 22.8 If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution.
- 22.9 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the member of his, her or its rights to appoint another person as his, her or its proxy at a meeting of the Company.
23. Proceedings at General Meetings
- 23.1 The business to be transacted at an Annual General Meeting shall include the consideration of the accounts and balance sheets, the reports of the Board and the auditors, the election of Board Members and the appointment of and the fixing of the remuneration of the auditors.
- 23.2 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
- 23.3 Twelve Members (or (if less) one third of all the Members) present in person or by proxy shall be a quorum.
- 23.4 If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of Members shall be dissolved and in any other case it shall be adjourned for 14 days.
24. Chairing General Meetings

- 24.1 The Chairman (if any) of the Board shall chair every general meeting of the Company.
- 24.2 If there is no such chairman or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the vice-chairman will chair the meeting.
- 24.3 If there is no vice-chairman or if he shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act the members of the Board present or (if there are none present) the Members present in person or by proxy and entitled to vote shall elect one of their number to chair the meeting.
- 24.4 For the avoidance of doubt, a proxy holder who is not a member entitled to vote shall not be entitled to be appointed chair of the meeting under this Article 14.
25. Adjournment
- 25.1 The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 25.2 When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
26. Resolutions
- 26.1 Any resolution purporting to amend the name or the Articles of Association of the Company shall require a majority of 75% of the Members present and voting.
- 26.2 A resolution put to the vote at a meeting shall be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
27. Poll Votes
- 27.1 A poll on a resolution may be demanded:
- 27.1.1 in advance of the general meeting where it is to be put to the vote; or
- 27.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 27.2 A poll on a resolution may be demanded:
- 27.2.1 by the Chairman; or
- 27.2.2 by at least four Members present in person or by proxy; or
- 27.2.3 by Members present in person or by proxy and representing not less than one third of the total voting rights of all Members having the right to vote at the meeting.

- 27.3 Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the Minutes of the Meeting shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.
- 27.4 The demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chairman. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands disclosed before the demand for the poll is made.
- 27.5 A poll demanded on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken at such time and in such manner as the Chairman of the meeting directs and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

28. Chair's Casting Vote

In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

29. Unanimous Written Resolutions

Subject to the provisions of the Act, a resolution in writing signed by all the Members (or being organisations by their duly authorised representatives) shall be as valid and effective as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution in writing may consist of two or more documents in like form each signed by one or more Members.

30. Associates and Patrons at General Meetings

Associates may speak at a General Meeting with the permission of the Chairman but may not vote. Patrons may not speak or vote.

31. VOTING BY MEMBERS

32. Votes of Members

32.1 Every Member shall have one vote.

32.2 No Member shall be entitled to vote at any general meeting unless all moneys then due by such Member to the Company have been paid.

32.3 Each Member is entitled to vote either personally or by proxy.

32.4 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

33. Proxies

- 34. Power to appoint
 - 34.1 A member (including an Organisation that is a member) is entitled to appoint another person as his, her or its proxy to exercise all or any of his, her or its rights to attend and speak and vote at a meeting of the Company. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed.
 - 34.2 Manner of appointment
 - 34.3 Proxies may only validly be appointed by a notice in Writing (a “Proxy Notice”) which:
 - 34.3.1 states the name and address of the member appointing the proxy;
 - 34.3.2 identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
 - 34.3.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine;
 - 34.3.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of general meeting to which they relate.
 - 34.4 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
 - 34.5 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
 - 34.6 Unless a Proxy Notice indicates otherwise, it must be treated as:
 - 34.6.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 34.6.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 35. Delivery of Proxy Notices
 - 35.1 The Proxy Notification Address in relation to any general meeting is:
 - 35.1.1 the registered office of the Company; or
 - 35.1.2 any other Address or Addresses specified by the Company as an Address at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or Electronic Form; or
 - 35.1.3 any electronic Address falling within the scope of Article 23.2.
 - 35.2 If the Company gives an electronic Address:
 - 35.2.1 in a notice calling a meeting;

35.2.2 in an instrument of proxy sent out by it in relation to the meeting; or

35.2.3 in an invitation to appoint a proxy issued by it in relation to the meeting;

35.2.4 it will be deemed to have agreed that any Document or information relating to proxies for that meeting may be sent by Electronic Means to that Address (subject to any conditions or limitations specified in the notice). In this Article 23.2, Documents relating to proxies include the appointment of a proxy in relation to a meeting, any document necessary to show the validity of, or otherwise relating to, the appointment of a proxy, and notice of the termination of the authority of a proxy.

35.3 Attendance of member

35.4 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting (including an authorised representative of a Member that is an Organisation) remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of the relevant Member. If the person casts a vote in such circumstances, any vote cast by the proxy appointed under the Proxy Notice is not valid.

35.5 Timing

35.6 Subject to Articles 23.5 and 23.6, a Proxy Notice must be received at a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting to which it relates.

35.7 In the case of a poll taken more than 48 hours after it is demanded, the Proxy Notice must be received at a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.

35.8 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be:

35.8.1 received in accordance with Article 23.4; or

35.8.2 given to the chair, Secretary (if any) or any Director at the meeting at which the poll was demanded.

35.9 Interpretation

35.10 Saturdays, Sundays, and Public Holidays are not counted when calculating the 48 hour and 24 hour periods referred to in this Article 23.

35.11 Revocation

35.12 An appointment under a Proxy Notice may be revoked by delivering a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a Proxy Notification Address.

35.13 A notice revoking the appointment of a proxy only takes effect if it is received before:

35.13.1 the start of the meeting or adjourned meeting to which it relates; or

35.13.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

35.14 Execution

35.15 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

36. THE BOARD

37. The Board

37.1 All Board Members shall be members or representatives of members or co-opted under the provisions of Article 24.3. A Board Member may not receive any remuneration from or have a direct or indirect interest in any trading subsidiary of the Company (other than by reason of that trading subsidiary being a subsidiary of the Company).

37.2 Unless otherwise determined by the Company in general meeting the minimum number of Board Members shall be three, provided that so long as a representative of any Organisation which is a local authority as defined in Section 67 of the Local Government and Housing Act 1989 is a Board Member the number of Board Members shall be such that the number of such representatives is less than 20% of the total number of Board Members.

37.3 The Board may co-opt as Board Members no more than 6 persons having special expertise valuable to the work of the Board. In exercising this right of co-option the Board shall pay due regard to ensuring that so far as possible the Board reflects the geographical interests of the Company.

37.4 Subject to the provisions of Articles 4 and 38 a Board Member shall neither be paid any remuneration nor receive any other financial benefit.

37.5 The Board may appoint one or more sub-committees consisting of two or more members of the Board for the purpose of making any inquiry or supervising or performing any function or duty which in the opinion of the Board would be more conveniently undertaken or carried out by a sub-committee: provided that all acts and proceedings of any such sub-committee shall be fully and promptly reported to the Board.

38. Appointment and Retirement of the Board Members

38.1 The first Board Members shall be appointed in writing by the subscribers to the original Memorandum of Association and shall hold office until the first Annual General Meeting of the Company.

38.2 At the first Annual General Meeting the first Board Members appointed in accordance with Article 24.1 shall retire from office in accordance with Article 25.3. Board Members shall then be elected in accordance with Article 25.4.

- 38.3 At the second and subsequent Annual General Meetings:-
- 38.3.1 one third of the elected Board Members or if their number is not a multiple of three then the number nearest to one third shall retire from office; and
- 38.3.2 the persons co-opted under Article 24.3 shall retire from the Board.
- 38.4 Any person who is willing to act as a Director, and who would not be disqualified from acting under the provisions of Article 35, may be appointed to be a Director:
- 38.4.1 by ordinary resolution; or
- 38.4.2 by a decision of the Directors. Any Board Member so appointed shall hold office until the next following Annual General Meeting at which point their election shall be confirmed by the Members by ordinary resolution or shall lapse.
- 38.5 The elected Board Members to retire shall be those who have been longest in office since their last election or appointment. As between elected Board Members of equal seniority those to retire shall in the absence of agreement be selected from among them by lot. The length of time an elected Board Member has been in office shall be computed from his last election or appointment.
- 38.6 A retiring elected or co-opted Board Member shall be eligible for re-election or re-co-option provided that he or she shall not serve on the Board for longer than a consecutive period of eleven years except in the case of Stephen Woolfe who may serve for up to eighteen consecutive years as Chairman. A Board Member who has served for such a period may be re-elected or re-co-opted to the Board after an interval of not less than one year.
- 38.7 The Board shall have power at any time to appoint any person to be a Board Member to fill a casual vacancy. Any Board Member so appointed shall hold office until the next following Annual General Meeting and shall then be eligible for re-election.
39. Powers and Duties of the Board
- 39.1 The business of the Company shall be managed by the Board who may pay all expenses incurred in the formation of the Company and may exercise all such powers of the Company as are not required to be exercised by the Company in General Meeting. Any such requirement may be imposed either by the Act or by these Articles or by any resolution of the Company but no such resolution shall invalidate any prior act of the Board which would have been valid if that resolution had not been passed.
- 39.2 The Board may invite observers to attend and speak at their meetings but not to vote.
- 39.3 The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue debentures debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company.
- 39.4 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under these Articles the Board shall have the power:

39.4.1 to expend the funds of the Company in such manner as it shall consider most beneficial for the achievement of the Company's objects and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of such objects;

39.4.2 to enter into contracts on behalf of the Company.

40. Proceedings of the Board

40.1 The Board may meet together for the dispatch of business adjourn and otherwise regulate their meetings as they think fit.

40.2 Questions arising at any meeting shall be decided by a majority of votes.

40.3 In the case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Board Member may and the Secretary on the request of a Board Member shall at any time summon a Board Meeting. It shall not be necessary to give notice of a Board Meeting to any Board Member for the time being absent from the United Kingdom.

40.4 The quorum necessary for the transaction of the business of the Board shall be two or (if greater) one third of the number of Board Members.

40.5 The Board may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by Article 24.2 as the necessary quorum the Board may act for the purpose of increasing the number of Board Members to that number or of summoning a General Meeting but for no other purpose.

41. Chair

41.1 The Board may elect a chairman of their meetings and determine the period for which he shall hold office. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the Board Members present may choose one of their number to chair the meeting.

41.2 The Board may also elect a vice chairman.

42. Board Minutes

42.1 The Board shall keep minutes:

42.1.1 Of all appointments of officers made by the Board;

42.1.2 Of the names of the Board Members present at each Board Meeting;

42.1.3 Of all resolutions and proceedings at all meetings of the Company and the Board; and

42.1.4 Of all declarations of interest made by Board Members.

43. Directors may Delegate

- 43.1 The Board may delegate any of their powers to sub-committees consisting of such persons (not necessarily Board Members) as they think fit. A sub-committee shall conform to any regulations that may be imposed on it by the Board and shall report all acts and proceedings to the Board fully and promptly.
- 43.2 A sub-committee may elect a chairman of its meetings or if no such chairman is elected or if at any meeting a chairman is not present within 5 minutes after the time appointed for holding the same the members present may choose one of their number to chair the meeting.
- 43.3 A sub-committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the Board Members present and in the case of equality of votes the chairman of the meeting shall have a second or casting vote.

44. Validity of Director actions

All acts done by any meeting of the Board or of a sub-committee or by any person acting as a Board Member shall notwithstanding that if afterwards it be discovered that there was some defect in the appointment of any such Board Member or person acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was properly qualified.

45. Decision Making by the Board

46. Unanimous decisions without a meeting

- 46.1 A decision is taken in accordance with this Article 32 when all of the Directors indicate to each other by any means (including without limitation by Electronic Means) that they share a common view on a matter. The Directors cannot rely on this Article to make a decision if one or more of the Directors has a Conflict of Interest which, under Articles 33 or 34, results in them not being entitled to vote.
- 46.2 Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing.
- 46.3 A decision which is made in accordance with this Article 32 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:
- 46.3.1 approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers if necessary (“the Recipient”), which person may, for the avoidance of doubt, be one of the Directors;
- 46.3.2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors (by any means) whether the resolution has been formally approved by the Directors in accordance with this Article 32.3;

46.3.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval; and

46.3.4 the Recipient must prepare a minute of the decision in accordance with Article 29.

47. Conflicts of interest

47.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.

47.2 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.

47.3 Whenever a Director has a Conflict of Interest either in relation to a matter to be discussed at a meeting or a decision to be made in accordance with Article 32:

47.3.1 if the Conflict of Interest relates to a benefit permitted under Articles 4.2.2, 4.2.3 or 4.2.4, then the Director must comply with Article 33.4;

47.3.2 for all other Conflicts of Interest, either the Director must comply with Article 33.4 or authorisation must be given by the unconflicted Directors under Article 34.1.

47.4 If a Director with a Conflict of Interest is required to comply with Article 33.4 he or she must:

47.4.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;

47.4.2 not be counted in the quorum for that part of the meeting; and

47.4.3 withdraw during the vote and have no vote on the matter; or

47.4.4 (in the case of a decision taken outside a meeting in accordance with Article 32) only participate in the discussions leading up to the decision to such extent as in the view of the other Directors is necessary to inform the debate, and not participate in the decision itself.

47.5 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.

48. Directors' power to authorise a conflict of interest

48.1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:

- 48.1.1 this power cannot be used to authorise a Conflict of Interest arising from a benefit permitted under Articles 4.2.2, 4.2.3 or 4.2.4;
 - 48.1.2 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 33.4;
 - 48.1.3 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote (or in the case of a decision without a meeting, a decision) on the matter and can be counted in the quorum;
 - 48.1.4 the decision to authorise a Conflict of Interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation; and
 - 48.1.5 nothing in this Article 34.1 shall permit the Directors to authorise a direct or indirect benefit to a Director or Connected Person that is not permitted in accordance with Article 4.
- 48.2 If a matter, office, employment or position, has been authorised by the Directors in accordance with Article 34.1 then, even if he or she has been authorised to remain at the meeting (or participate in discussions leading up to a decision without a meeting) by the other Directors, the Director may absent himself or herself from meetings (or discussions outside a meeting) of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.
- 48.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 34.1 (subject to any limits or conditions to which such approval was subject).
49. Disqualification of Board Members
- 49.1 A Director shall cease to hold office if:
- 49.1.1 he or she ceases to be a director by virtue of any provision of the Companies Acts, or is prohibited from being a director by law;
 - 49.1.2 a bankruptcy order is made against him or her, or an order is made against him or her in individual insolvency proceedings in a jurisdiction other than England and Wales which have an effect similar to that of bankruptcy;
 - 49.1.3 a composition is made with his or her creditors generally in satisfaction of his or her debts;
 - 49.1.4 the Directors reasonably believe he or she has become physically or mentally incapable of managing his or her own affairs and they resolve that he or she be removed from office;
 - 49.1.5 he or she is disqualified under the Charities Act 1993 from acting as a trustee of a charity

49.1.6 notification is received by the Company from him or her that he or she is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least three Directors will remain in office when such resignation has taken effect).

50. Officers

50.1 The Board Members may appoint a person, whether or not a Board Member, as an executive director and may enter into an agreement or arrangement with such person for the provision of the services required by such a function.

50.2 Any such appointment and agreement may be made upon such terms as the Board Members determine and they may remunerate any such officer for his services as they think fit.

50.3 If the said officer is or becomes a Board Member the appointment as an officer shall terminate if he ceases to be a Board Member but without prejudice to any claim to damages for breach of the contract of service between the officer and the Company. Such an officer shall not be subject to retirement by rotation under the provisions of Article 25.

51. Secretary

51.1 A Secretary may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and may be removed by them. If there is no Secretary:

51.1.1 anything authorised or required to be given or sent to, or served on, the Company by being sent to its Secretary may be given or sent to, or served on, the Company itself, and if addressed to the Secretary shall be treated as addressed to the Company; and

51.1.2 anything else required or authorised to be done by or to the Secretary of the Company may be done by or to a Director, or a person authorised generally or specifically in that behalf by the Directors

52. Payment of Officers

For the avoidance of doubt the Company may pay reasonable remuneration to any person who is both a Board Member and an officer under Articles 36 and 37 for work undertaken whilst holding and in pursuance of that office and the officer may receive and retain such remuneration, provided that at all times the Board and that officer comply with Articles 33 and 34.

53. ADMINISTRATIVE AND MISCELLANEOUS

54. Company Bank Account

Any bank account in which any part of the assets of the Company is deposited shall be operated by the Board Members and shall indicate the name of the Company. All

cheques and orders for the payment of money from such account shall be signed by at least one Board Member.

55. The Seal

- 55.1 The Board shall provide for the safe custody of the common seal of the Company which shall only be used by the authority of the Board or of a sub-committee authorised by the Board in that behalf. Every instrument to which the seal shall be affixed shall be signed by a Board Member and shall be countersigned by the secretary or by a second Board member or by some other person appointed by the Board for the purpose.

56. Accounts

- 56.1 The Directors shall comply with the requirements of the Companies Acts and of the Charities Act 1993 as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Charity Commission of:

56.1.1 annual reports;

56.1.2 annual returns; and

56.1.3 annual statements of account.

- 56.2 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or Documents merely by virtue of being a member.

- 56.3 The accounting records shall be kept at the registered office of the Company or subject to the Act at such other place or places as the Board thinks fit and shall always be open to the inspection of the officers of the Company.

- 56.4 The Board shall from time to time determine whether or to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Board Members and no such Member shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board or by the Company in General Meeting.

- 56.5 The Board shall from time to time in accordance with the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts balance sheets group accounts (if any) and reports as are required thereby.

- 56.6 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting together with a copy of the auditor's report and the Board's report shall not less than twenty one days before the date of the meeting be sent to every Member or and every holder of debentures of the Company to their addresses as shown in the Company's register. In the case of joint holders transmission to the first named shall discharge the duties under this Article.

- 56.7 The Board shall comply with the obligations under the Charities Acts with regard to the preparation of an annual report and annual return and the transmission of them to the Commissioners.
57. Audit
- 57.1 Auditors shall be appointed and their duties regulated in accordance with the Act.
58. Notices
- 58.1 No member shall be entitled to any notice from the Company unless his registered address is inside the United Kingdom or he has supplied a notice address within the United Kingdom to the Company.
- 58.2 A notice may be given by the Company to any member in accordance with Article 44.
59. Communications by the Company
- 59.1 Methods of communication
- 59.2 Subject to the Articles and the Companies Acts, any Document or information (including any notice) sent or supplied by the Company under the Articles or the Companies Acts may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by the Company, including without limitation:
- 59.2.1 in Hard Copy Form;
- 59.2.2 in Electronic Form; or
- 59.2.3 by making it available on a website.
- 59.3 A Document or information may only be sent or supplied in Electronic Form or by making it available on a website if the recipient has agreed that it may be sent or supplied in that form or manner or is deemed to have so agreed under the Companies Acts (and has not revoked that agreement).
- 59.4 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means which that Director has asked to be sent or supplied with such notices or Documents for the time being.
- 59.5 Deemed delivery
- 59.6 A member present in person or by proxy, or via their authorised representative if an Organisation, at a meeting of the Company shall be deemed to have received notice of the meeting and the purposes for which it was called.
- 59.7 Where any Document or information is sent or supplied by the Company to the members:

- 59.7.1 where it is sent by post it is deemed to have been received 48 hours (including Saturdays, Sundays, and Public Holidays) after it was posted;
- 59.7.2 where it is sent or supplied by Electronic Means, it is deemed to have been received on the same day that it was sent;
- 59.7.3 where it is sent or supplied by means of a website, it is deemed to have been received:
 - (a) when the material was first made available on the website; or
 - (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 59.8 Subject to the Companies Acts, a Director or any other person may agree with the Company that notices or Documents sent to that person in a particular way are deemed to have been received within a specified time, and for the specified time to be less than 48 hours.
- 60. Communications to the Company
- 60.1 The provisions of the Companies Acts shall apply to communications to the Company.
- 61. Rules or Bye Laws
- 61.1 The Board may from time to time make such rules or bye laws as it may deem necessary or convenient for the proper conduct and management of the Company and for the purposes of prescribing conditions of membership. In particular (but without prejudice to the generality of the foregoing) it may by such rules or bye laws regulate:
 - 61.1.1 The admission of members of the Company (including the admission of Organisations) and the rights and privileges of such member and the conditions of membership and the terms on which members may resign or have their membership terminated and the entrance fees subscriptions and other fees or payments to be made by members;
 - 61.1.2 The process of election nomination and co-option of Board Members and the conditions that Members must satisfy in order to be Board Members;
 - 61.1.3 The conduct of members of the Company in relation to one another and to the Company's employees;
 - 61.1.4 The setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
 - 61.1.5 The procedure at General Meetings and meetings of the Board and Sub-committees insofar as such procedure is not regulated by these Articles; and
 - 61.1.6 Generally all such matters that are commonly the subject of Company rules.
- 61.2 The Company in General Meeting shall have the power to alter or repeal the rules or bye laws and to make additions to them. The Board shall adopt such means as they

deem sufficient to bring to the notice of Members all such rules or bye laws which so long as they shall be in force shall be binding on all Members. No such rule or bye law shall be inconsistent with or shall affect or repeal anything contained in the Articles of Association of the Company.

62. Exclusion of model articles

The relevant model articles for a company limited by guarantee are hereby expressly excluded.

63. Indemnity

63.1 Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled every Board Member alternate Board Member or other officer of the Company shall be indemnified out of the Company's assets against all losses or liabilities which he may sustain or incur in or about the proper execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company Provided that any such insurance shall not extend to any claim arising from any act or omission which the Board Members, alternate members or officers knew to be a breach of trust or breach of duty or which was committed by them in reckless disregard of whether it was a breach of trust or breach of duty or not.

63.2 The Board shall have power to effect indemnity insurance for Board Members and officers pursuant to Article 48.1 notwithstanding the interest of the Board Members in such insurance.
